

## **EXHIBIT “Z”**

WHITESTONE



CONSTRUCTION

CORP.

June 24, 2019

VIA Certified Mail #7013 3020 0001 5495 5957

TELECOPIER 1 (312) 332- 8710

Yuanda USA Corporation  
36 West Randolph Street, Suite 600  
Chicago, IL 60601

**Re:** Whitestone Construction Corp. (Whitestone) Subcontract Agreement with F.J. Sciame Construction Company, Inc. (Sciame) in connection with City University Construction Fund (the Owner) Project Involving the New York City College of Technology – New Academic Building (the Project) pursuant to which Whitestone entered into a Purchase Order with Yuanda USA Corporation (Yuanda) dated October 24, 2013 (the PO)

Gentlemen:

We are writing to formally notify you that Sciame has rejected as non-conforming Yuanda's fabrication of the WT-3 Clerestory structural components. As you are aware, after Yuanda's shop drawings No. 084413-020-02 for such members was returned by Perkins Eastman (PE) the project architect marked Make Corrections Noted (MCN), Whitestone returned those shop drawings to Yuanda which released the structural members for fabrication, which were ultimately delivered to the project site and installed.

Thereafter, an RFI #1130 - "Design Movement between Auditorium and Main Building" was issued by Sciame on January 23, 2017 and PE responded on January 30, 2017. In that response, Sciame and PE (along with its curtain wall consultant ALT Limited (ALT)) made four notations which indicated, among other things, that a

"concern was previously noted in 2014 under [prior] submittals ... to verify a larger movement joint to accommodate roof deflections..."

That concern resulted in a direction by Sciame to Whitestone that the previously installed WT-3 - Clerestory structural members be modified in the field.

In response, Whitestone submitted its proposed Change Order PCO-098 in the cumulative amount of \$348,794 **plus applicable insurance** which was rejected by Sciame on May 3, 2019. In accordance with Whitestone's contract with Sciame (which was incorporated in Whitestone's PO with Yuanda referenced above), Whitestone timely filed a Notice of Dispute with Sciame on or about May 3, 2019 the resolution of which is still pending. However, in the interim, Sciame has directed Whitestone to perform the field modification as depicted in Whitestone's PCO-098 without compensation by the end of August 2019.

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Therefore, Yuanda is hereby directed to remediate the misfabricated already installed WT-3 Clesestory as directed by Sciame and is advised that all costs and expenses related to same shall be borne by and be the sole responsibility of Yuanda. Those costs and expenses may include among other things all costs and expenses incurred by both Whitestone and its installer Metro-Tech Erectors Corp. while providing any assistance they may provide to Yuanda in connection with Yuanda's remedial work outlined above.

For your information, a copy of Whitestone's Notice of Dispute submitted to Sciame, dated May 3, 2019 and its PCO #098 is attached as Ex. A.

Be assured Whitestone has taken and will continue to take the position that the information contained in Sciame's response to RFI #1130 constitutes a belated design change in the contract documents for which Whitestone (and Yuanda) is entitled to a Change Order. Of course, Whitestone shall expect Yuanda's complete cooperation in that regard. However, if Whitestone is unsuccessful, it wanted Yuanda to be aware of the issue and Whitestone's direction to Yuanda resulting from such situation.

Please do not hesitate to call with any questions or comments.

Very truly yours,

WHITESTONE CONSTRUCTION CORP.

By:

Steven Grzic, Vice-President

cc: Phil Carvelas  
Donald J. Carbone, Esq.